

## Farm Operators and Their Communities

One linkage between operator households and their communities is the income received by farm households from off-farm sources, just discussed above. Another linkage is farm and operator household purchases. This section examines the distance that members of operator households travel when they make purchases. Later, operators' satisfaction with their communities is examined.

### Distance to Sources of Purchases

The long-term decline in farm numbers and expansion of farm size may have affected local purchases by farms and farm households in two ways. First, with fewer farms and fewer farm households, total spending in local communities may have declined, if no other industries expanded as the number of farms declined. Second, larger farms and their households may trade with more distant suppliers.

The 1993 FCRS addressed the second point by collecting data on where farm operators purchased various items. In particular, the FCRS asked farm operators how many miles it was between their house and where they bought:

- Household supplies (groceries, clothes, supplies for the home, etc.)
- Durables (cars, trucks, furniture, and household appliances)
- Farm machinery (excludes trucks, but includes implements)
- Farm supplies (seed, feed, chemicals, parts, fuels, and other farm-related goods and services, excluding farm machinery).

The FCRS data suggest that operators generally do not travel particularly long distances to make purchases. Fears that large numbers of farm operators bypass local suppliers may be exaggerated, at least according to the FCRS.

At the U.S. level, the average distances to sources of household supplies (12 miles) and farm supplies (13 miles) were less than the average distances to sources of durables (20 miles) and farm machinery (21 miles) (table 14). Many smaller towns have stores where operators can buy household and farm supplies. Farm operators may have to go farther to find towns selling the more expensive (and less frequently purchased) durables

and farm machinery. Regardless of type of purchase, however, most purchases are made fairly close to home.

The same pattern—smaller distances for household and farm supplies and longer distances for durables and farm machinery—generally prevailed when operators were categorized by various characteristics. However, some differences between the average for farm supplies and the averages for durables and farm machinery were significant only at the 90-percent level. And, some differences for operators with a corporation or a partnership were not significant at either the 95-percent or the 90-percent levels.

Retired operators tended to spend closer to home. They traveled shorter distances to buy household supplies and farm machinery than operators reporting farming or another major occupation. Retired operators also traveled shorter distances to buy farm supplies than operators reporting farming as their major occupation.

At the other extreme, operators reporting farming as their major occupation traveled greater distances than the two other occupation groups for all four categories of purchases. Half of the differences between operators reporting farming as their major occupation and the other occupational groups were significant only at the 90-percent level, however.

Operators of commercial farms traveled greater distances than operators of noncommercial farms, on average, for all four categories of purchases. Average distance did not vary by organization for any purchase category. On the other hand, nonfamily corporations were excluded from table 14, and they may have purchased more from distant suppliers.

Operators traveled longer distances for household supplies and durables in nonmetro than in metro areas. The longer distances in nonmetro areas may reflect the lower population densities in nonmetro areas (22 persons per square mile) compared with metro areas (291 persons per square mile)<sup>14</sup> Low population densities indicate less dense settlement patterns and greater distances to suppliers. Metro-nonmetro distance differences for purchases of farm machinery and farm supplies were not statistically significant, however.

<sup>14</sup>Population densities are from the 1990 Census of Population.

**Table 14—Distance to sources of purchases, by selected farm, farm operator, and county characteristics, 1993**

Item	Distance to main sources of:							
	Household supplies		Durables		Farm machinery		Farm supplies	
	<i>Mean miles</i>	<i>RSE<sup>1</sup></i>	<i>Mean miles</i>	<i>RSE<sup>1</sup></i>	<i>Mean miles</i>	<i>RSE<sup>1</sup></i>	<i>Mean miles</i>	<i>RSE<sup>1</sup></i>
All farms and operators	12	2.7	20	2.7	21	3.2	13	3.4
Major occupation:								
Farming	14	4.3	21	3.8	23	4.5	14	3.9
Other occupation	11	3.7	19	4.2	21	5.0	13	6.7
Retired	9	6.2	18	7.6	16	7.2	12	7.9
Farm size category:								
Noncommercial	11	3.0	19	3.2	19	3.6	13	4.3
Commercial	14	5.5	23	4.8	26	5.9	15	5.1
Farm organization:								
Individual	12	2.8	20	2.9	21	3.4	13	3.7
Partnership	13	12.3	18	9.3	20	10.5	13	7.5
Family corporation	10	12.2	18	14.2	20	14.4	13	14.6
Metro-nonmetro status:								
Metro	10	3.6	16	4.0	20	5.1	13	4.4
Nonmetro	13	3.5	22	3.3	22	4.0	14	4.5
Adjacent	12	4.8	21	4.5	19	5.4	12	5.1
Not adjacent	14	5.1	23	4.9	24	5.7	15	7.3
County type:								
Farming-dependent	14	8.3	26	7.3	23	9.4	14	9.3
Other nonmetro	13	3.8	21	3.8	21	4.4	13	5.2
Metro	10	3.6	16	4.0	20	5.1	13	4.4

<sup>1</sup>The relative standard error (RSE) provides the means of evaluating the survey results. A smaller RSE indicates greater reliability of the estimate. For more information, see the box on data sources or appendix B.

Source: Economic Research Service, compiled from the 1993 Farm Costs and Returns Survey. Data are from the farm operator household subset of the FCRS. See text for more information. Only the Farm Operator Resource version collected information on distance to sources of purchases.

As expected, nonmetro operators traveled longer distances for all four types of purchases in nonadjacent counties than in adjacent counties. (Adjacent-nonadjacent differences for durables and farm supplies were significant only at the 90-percent level.) Nonmetro counties adjacent to metro areas are closer to suppliers in metro areas. In addition, adjacent counties have a higher population density (35 persons per square mile) than nonadjacent counties (15 persons per square mile).

Population density was much less in farming-dependent counties (8 persons per square mile) than in other nonmetro counties (27 persons per square mile). Nevertheless, the only statistically significant difference between farming-dependent and other nonmetro counties was for durables.

### Community Satisfaction

During the 1993 FCRS, operators were asked about their satisfaction with different aspects of their commu-

nities. Specifically, operators were asked questions about their satisfaction with:

- Their community as a place to live
- Their housing
- Their involvement with farming/ranching
- Off-farm job opportunities.

As with the questions about economic satisfaction, responses were coded on a scale of 1 to 5 with 1 being “very satisfied” and 5 being “very dissatisfied.” Results are presented by operator household dependence on farming (table 15), to be consistent with the information presented earlier for economic satisfaction. In addition, satisfaction is also presented by metro-nonmetro status and county type, to see if satisfaction differs by type of community.

Farm operators generally were satisfied with their communities. About 33 percent of all operators were “very satisfied” and another 56 percent were “somewhat satisfied” with their communities overall (fig. 24). Operators

**Table 15—Community satisfaction of farm operators, by dependency on farming and county characteristics, 1993**

Item	Community as a place to live		Housing		Involvement in farming		Off farm job opportunities		Total satisfaction	
	Average score <sup>1</sup>	RSE <sup>2</sup>	Average score <sup>1</sup>	RSE <sup>2</sup>	Average score <sup>1</sup>	RSE <sup>2</sup>	Average score <sup>1</sup>	RSE <sup>2</sup>	Average score <sup>1</sup>	RSE <sup>2</sup>
All farm operators	1.3	1.7	1.4	1.8	1.7	1.8	2.3	1.4	1.7	1.0
Farm operator household farm dependency category:										
Positive household income and:										
Loss from farming	1.3	2.6	1.4	2.1	1.7	2.3	2.1	2.3	1.6	1.5
0-24 percent from farming	1.3	3.9	1.5	5.4	1.8	4.7	2.3	3.4	1.7	2.8
25-49 percent from farming	1.3	5.2	1.3	4.3	1.9	7.3	2.5	5.4	1.8	4.1
50-74 percent from farming	1.4	6.3	1.3	4.8	1.4	5.9	2.5	4.8	1.7	3.7
75 percent or more from farming	1.2	3.1	1.4	6.3	1.4	3.4	2.6	2.6	1.7	2.2
Negative household income	1.4	4.5	1.5	6.2	1.6	6.7	2.7	4.2	1.8	3.4
Metro-nonmetro status:										
Metro	1.4	2.9	1.4	2.6	1.7	3.3	2.2	2.8	1.7	2.0
Nonmetro	1.3	2.0	1.4	2.3	1.6	2.2	2.3	1.6	1.7	1.2
Adjacent	1.3	2.5	1.4	2.3	1.6	2.6	2.3	2.5	1.7	1.5
Not adjacent	1.3	3.2	1.4	4.2	1.7	3.4	2.4	2.4	1.7	1.9
County type:										
Farming-dependent	1.3	3.9	1.5	6.5	1.7	5.6	2.6	3.3	1.8	2.8
Other nonmetro	1.3	2.3	1.4	2.3	1.6	2.3	2.2	1.9	1.6	1.3
Metro	1.4	2.9	1.4	2.6	1.7	3.3	2.2	2.8	1.7	2.0

<sup>1</sup>Computed as the average of scores ranging from 1 (very satisfied) to 5 (very dissatisfied).

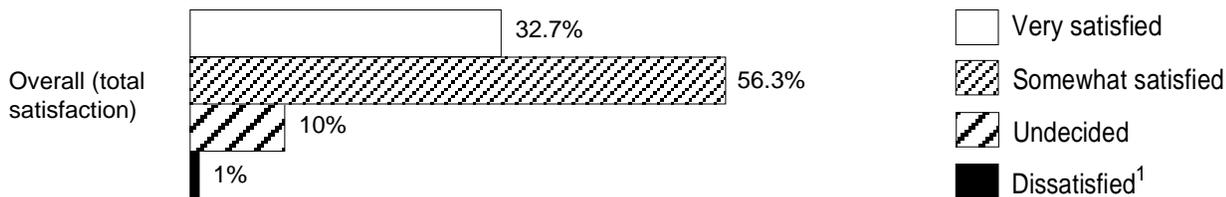
<sup>2</sup>The relative standard error (RSE) provides the means of evaluating the survey results. A smaller RSE indicates greater reliability of the estimate. For more information, see the box on data sources or appendix B.

Source: Economic Research Service, compiled from the 1993 Farm Costs and Returns Survey. Data are from the farm operator household subset of the FCRS. See text for more information. Only the Farm Operator Resource version collected information on operator satisfaction.

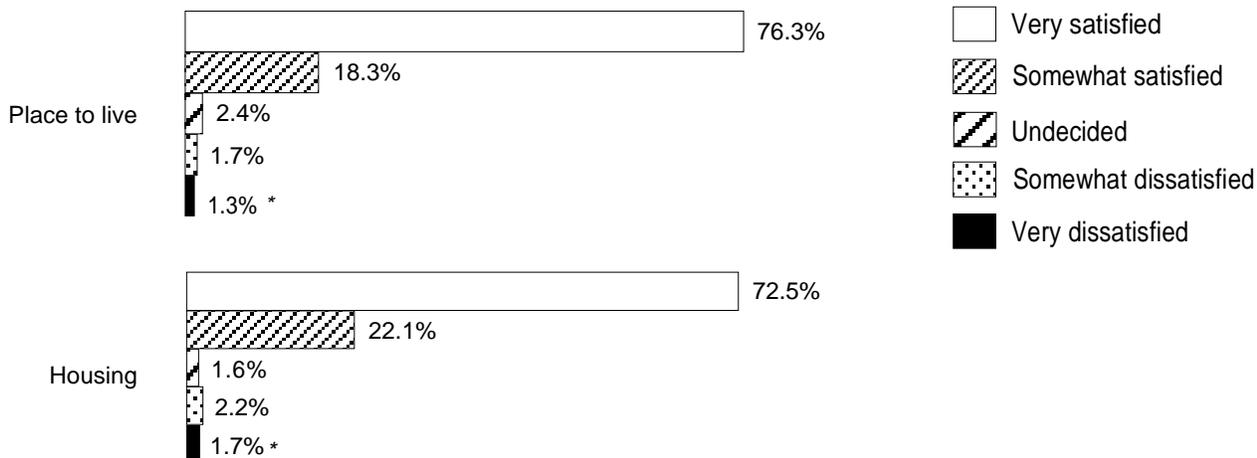
Figure 24

### Levels of operator satisfaction with the community, 1993

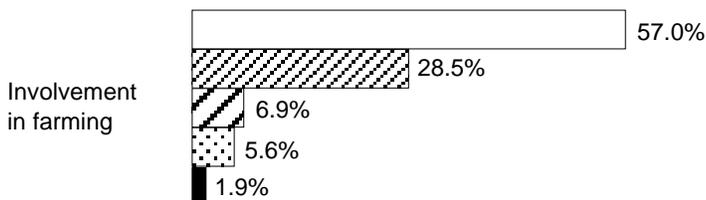
Most farm operators were very satisfied or somewhat satisfied with their communities overall



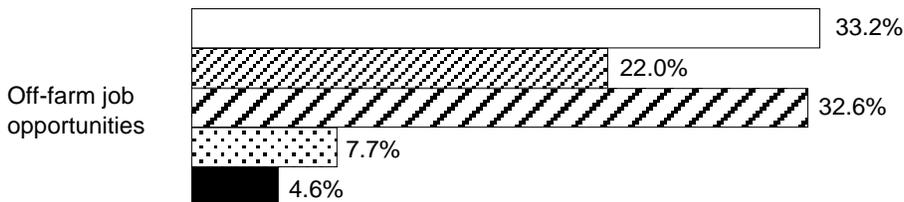
About three-fourths of operators were very satisfied with their communities as places to live and with their housing



About 86 percent of farm operators were very satisfied or somewhat satisfied with their involvement in farming



Most operators were very satisfied or somewhat satisfied with off-farm job opportunities. But, one-third were undecided



\*Relative standard error is greater than 25 percent.

<sup>1</sup>Somewhat dissatisfied and very dissatisfied were collapsed into one category due to sample size considerations.

Source: Economic Research Service, compiled from the 1993 Farm Costs and Returns Survey, Farm Operator Resource version.

were actually more satisfied with their communities than with their economic situation. The average total score for economic satisfaction was 2.3 (table 12), which is between “somewhat satisfied” and “undecided,” while the average total score for community satisfaction was 1.7 (table 15), which falls between “very satisfied” and “somewhat satisfied.”

At the U.S. level, farmers were more satisfied with their community as a place to live (average score of 1.3) and with their housing (average score of 1.4) than with their involvement in farming (average score of 1.7). Still, over half (57 percent) of operators were “very satisfied” with their involvement in farming (fig. 24). Operators were also more satisfied with their involvement with farming (table 15) than with farming as a source of income (table 12).

U.S. operators were least satisfied with off-farm job opportunities (average score of 2.3), regardless of dependence on farm income and location (table 15). The relatively high score for off-farm job opportunities resulted more from a large percentage answering “undecided” rather than large percentages expressing dissatisfaction (fig. 24).

Only three statistically significant patterns appeared in the variation of the components of satisfaction by farm dependency or location (table 15). First, the two groups receiving at least 50 percent of their income from farming were slightly more satisfied with their involvement with farming than were the other dependency categories.<sup>15</sup> This seems reasonable, since these groups were the most involved in farming, as far as the origin of their income was concerned. Second, operators with either a loss from farming or between 0 and 24 percent of total household income from farming were more satisfied with off-farm job opportunities than were the other income dependency categories. (Some of these differences were significant only at the 90-percent level.) Operators in these dependency categories were the most likely to have a nonfarm major occupation. Third, operators in farming-dependent counties were less satisfied with off-farm job opportunities than were their counterparts in other nonmetro counties or in metro counties.

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<sup>15</sup>The difference between the 50 to 74 percent and negative income categories was not statistically significant, however.